

**BOARD OF SUPERVISORS**

**GILA COUNTY, ARIZONA**

Date: August 1, 2005

**JOSÉ M. SANCHEZ**

Chairman

**STEVEN L. BESICH**

Clerk of the Board

**TOMMIE C. MARTIN**

Vice-Chairman

By: Marilyn Brewer  
Deputy Clerk

**SHIRLEY L. DAWSON**

Member

Gila County Courthouse  
Globe, Arizona

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PRESENT: Jose M. Sanchez, Chairman; Tommie C. Martin, Vice-Chairman; Shirley L. Dawson, Member; Steven L. Besich, County Manager/Clerk; Marian Sheppard, Chief Deputy Clerk; and, Bryan Chambers, 2<sup>nd</sup> Chief Deputy County Attorney.

Note for the record: The meeting was initially scheduled for 10:00 a.m. but was changed to 1:00 p.m. in order to allow the Board of Supervisors to attend a funeral service for Abie Castaneda, a former Gila County employee. Even though 24 hour advance notice of the meeting time was provided to the public per statutory requirement, John Nelson, Deputy County Manager; Steve Besich, County Manager/Clerk; and, Marian Sheppard, Chief Deputy Clerk, were present at the meeting at 10:00 a.m. to answer any questions for those taxpayers appearing who might not have been advised of the time change. Richard Standage of Globe, Arizona, appeared at 10:00 a.m. and filled out a Public Participation Form and provided written notice of his objection to raising property taxes. At approximately 10:30 a.m. Doyle and Juanita Coffman of Tonto Basin, Arizona, appeared and also filled out a Public Participation Form and provided written notice of their objection to any increases in property taxes. Mr. Nelson and Mr. Besich explained the difference between primary

property taxes and secondary property taxes which apply to special taxing districts, and also explained assessed valuation increases in Gila County.

The Gila County Board of Supervisors met in Special Session at 1:00 p.m. this date. Steve Stratton led the Pledge of Allegiance and Reverend Barbie Morton of the First Christian Church delivered the Invocation.

At 1:10 p.m. a public hearing was held notifying Gila County taxpayers of Gila County's intention to raise its primary property taxes over last year's level. John Nelson advised that the proposed budget for adoption today is the same budget that was presented as a tentative budget on July 18, 2005. He stated that Gila County's population and inflation have increased 3.5% over the past year. The overall budget has increased 6.9% which is 3.4% higher than the population/inflation increase. Most of the budget increase is from roads and HURF (Highway User Revenue Funds) monies that have been accumulated along with switches made to accelerate projects. He stated that the General Fund account is where the property taxes are deposited; that fund increased by 5.9% or 2.4% higher than the population/inflation increase. Mr. Nelson stated that if the Board adopts this proposed budget, the tax rate will remain the same at \$4.41 per hundred dollars of assessed valuation, although some of the property valuations may have changed. Mr. Nelson and the Board discussed the confusion caused by the media who have advertised that the Board is increasing the tax rate which is not true. Mr. Nelson stated that the confusion is caused because of the notice that was published in the official newspaper of the County, pursuant to A.R.S. §42-17107, which is required if the Board does not decrease the property tax rate to offset the increase in assessed valuation. He stated that taxpayers will only pay more in taxes if their assessed valuation increased, but the tax rate is remaining the same at \$4.41. Overall Gila County had an average 2.78% increase in assessed valuation from last year to this year. He advised that two corrections were made in the budget in the court system, as follows: 1) the Payson Justice Court added one additional position, but the funding for that position was not included in the original

budget and therefore had to be added; and, 2) the Superior Court-General had a position that is partially funded by a grant and partially funded from the General Fund, and the General Fund portion was not included in the original budget. He advised that those two items were offset by a decrease in the insurance rates and a decrease in the travel budget for the Finance Department. At this time, Chairman Sanchez called for public comment; none was offered. Chairman Sanchez closed the public hearing and asked for comments from the Board. Supervisor Dawson inquired about the comments made by the people who attended the hearing at 10:00 a.m. Ms. Sheppard provided the Board with the written objections received (as noted at the beginning of these minutes). The Board entered into a discussion on putting some type of language together to make clear to the taxpayers and the media on how the tax rates are established because of the number of phone calls and inquiries received by the Board. Mr. Nelson stated that this agenda item required no Board action. The Board thanked Mr. Nelson and Mr. Gaona for their efforts on the budget.

Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board convened as the Gila County Library District Board of Directors in order to address agenda item 2, the adoption of the 2005-2006 fiscal year budget for the Gila County Library District. Mr. Nelson presented the proposed Library District budget of \$894,301, which is the same as the tentative budget the Board adopted on July 18, 2005, as shown on Page 11 of the budget packet. This budget is based on a 20 cent tax rate with the primary purpose being to provide assistance to the public libraries in Gila County. Of the total budget, \$574,964 is a direct appropriation to the libraries. Supervisor Dawson stated that it has been reported that the Globe Public Library is inadequate. She inquired if there is any funding in this budget for capital improvements. Mr. Nelson stated that there is nothing in the State statutes to prevent these funds from being used for construction. This Board has the discretion to set aside a portion of these funds for capital needs. Chairman Sanchez inquired if

each library has its own Board. Mr. Nelson stated that the city and town libraries report to their respective city/town council, and libraries that are located in unincorporated areas of the County report to an elected library board. These libraries are under the Gila County umbrella and the County provides the automation system; however, as far as policies, procedures and hours of operation, they report to their own boards. Vice-Chairman Martin stated that she had requested an opinion from the County Attorney as to a possible conflict of interest on this item because her sister is the County Librarian. Vice-Chairman Martin stated that the County Attorney is still researching her request, and because she has not received a definitive answer at this time she would be abstaining from voting on this item. Upon motion by Supervisor Dawson, seconded by Chairman Sanchez, the Board adopted the 2005-2006 fiscal year budget for the Gila County Library District by a 2-0 vote. Vice-Chairman Martin abstained from voting. **(The 2005-2006 Gila County Library District Budget is included in the entire County budget packet.)**

Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board reconvened as the Board of Supervisors.

Chairman Sanchez moved to agenda item 4 for the adoption of the 2005-2006 fiscal year budget for Gila County. Mr. Nelson stated that the budget being adopted today is the same as the tentative budget adopted on July 18, 2005, for a total of \$66,206,010 with the two changes as previously noted. He stated that the bottom line has not increased and the budget still has the same contingency moving forward in the amount of \$1,250,000. The Board and Mr. Nelson discussed the importance of ensuring that the accountant position in the Finance Department is filled as soon as possible. Supervisor Dawson inquired about line item 127 on page 17 of the budget and asked if these funds apply to economic development. Mr. Nelson stated that these funds are restricted to economic development and are under the direction of the Gila County Industrial Development Authority (IDA) Board, and that the IDA Board is appointed by the Board of Supervisors. Supervisor Dawson advised that she

requested that funds be set aside for economic development. She has specifically requested that until the IDA Board provides the Board of Supervisors with an accounting for the \$300,000, which has yet to be submitted to the Board, she cannot see putting additional funds into that account. Mr. Nelson stated that those funds are in the IDA account in the Treasurer's Office and no hold has been placed on those funds. Mr. Besich advised that those funds have been committed to the marketing program jointly proposed by the consulting firms of Tequida and Gutierrez, and Hardt and Junck. Supervisor Dawson stated that this discussion is about the budget and the amount of funding the Board is committing to each County Division. Mr. Besich stated that the \$95,000 is cash on hand and the IDA Board has made an additional budget request for FY 2005-2006 of \$45,000. He stated that the Board can choose not to process any funding request for the IDA until the Board is satisfied that the IDA Board has complied with this Board's requests. The Board and Mr. Besich entered into a discussion regarding money owed to the IDA by ASARCO, which is now Grupo Mexico, and Mr. Besich provided a brief history on same. Mr. Besich stated that Grupo Mexico (ASARCO) has proposed that repayment be made to the IDA in three installments as follows: \$105,000 due today, \$150,000 due on January 1, 2006, and \$105,000 due on June 30, 2006. Further discussion ensued on continuing negotiations with Grupo Mexico (ASARCO), one of Gila County's largest taxpayers. Mr. Besich also stated, *"The time has come where County Administration needs to quit volunteering for the IDA because it has become too contentious and a battering ram when people are supposed to be out there doing good things...I don't want to be their statutory agent for free. They can appoint someone locally or appoint their attorney. Linda (Mr. Besich's administrative assistant) and I can arrange their meetings and advise them on the Open Meeting Law, but for any dealings they have enough money and should take care of their own business. My recommendation is to take their money and put it into their account like we do with the Globe -Miami Chamber funds...They run that program*

*by the decisions of the Board of Directors, their bylaws and statutory laws. ”*

Supervisor Dawson stated that she would totally agree with Mr. Besich if these funds weren't a line item in the County budget and believes they should be independent. She believes the \$45,000 which is placed into this account each year is money that is not accounted for. Mr. Besich stated that the Board can vote against approving any demands submitted for payment by the IDA and he reiterated that the Board of Supervisors has the ultimate authority on the payment of bills. Supervisor Dawson stated that her immediate concern is for the Board to approve the demands for the week of August 1, 2005, under today's Consent Agenda, that have not yet been reviewed by the Board.

Supervisor Dawson stated that she wants to be certain that at such time as the Board approves the budget, the funds are in the correct accounts and are being spent properly. Supervisor Dawson stated that it is her understanding, based on comments just provided by the County Manager, that no funds will be spent from account number 127 until an audit of that account has been presented to the Board. Based on that understanding, she made a motion to adopt the FY 2005-2006 budget. Mr. Besich clarified that the Board could choose to not process the IDA's demand for the \$45,000 for this year's annual budget appropriation. He further advised that it was not a good idea for the Board to freeze IDA's \$95,000 cash on hand when there are outstanding contracts.

Supervisor Dawson asked if Mr. Besich was promising that an additional amount of \$45,000 would not be added to account number 127, but the IDA could spend the \$95,000 balance and he would produce an audit of this account for the Board of Supervisors. Mr. Besich clarified that an audit firm would produce the audit. Chairman Sanchez stated that he was not comfortable in seconding a motion of this type because of singling out this one account for Board scrutiny. Chairman Sanchez called for a second to Supervisor Dawson's motion. The motion died for lack of a second. Chairman Sanchez then called for any other motions. Vice-Chairman Martin made a motion to adopt the 2005-2006 fiscal year budget for Gila County in the

amount of \$66,206,010. Chairman Sanchez seconded the motion with the stipulation that a roll call vote would be made. Marian Sheppard conducted a roll call vote for this motion resulting in a 2-1 vote to adopt the budget as stated in the motion. Supervisor Dawson voted nay. **(A copy of the 2005-2006 fiscal year budget for Gila County is permanently on file in the Board of Supervisors' Office.)**

Steve Stratton requested the approval of a Lease Agreement between Gila County and Pinal/Gila Long Term Care to lease a County building located at 1177 Monroe Street, Globe, for a period of two years, with a two-year renewal option, commencing August 1, 2005, through July 31, 2007, at a rate of \$900.00 per month. He stated that approximately a year ago the County tried to sell this building. It was appraised as commercial, advertised for sale, but no bids were received. The building was then reappraised as residential and the appraisal was even higher and again no bids were received. The building was then advertised for lease and this one bid was received from Pinal/Gila Long Term Care. The County has done some work on the building which included a new roof and electrical upgrades, and those funds can be recovered by leasing the building. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the Lease Agreement with Pinal/Gila Long Term Care.

Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously approved Consent Agenda items A-I, as follows:

- A. Adopted Resolution No. 05-08-01 renaming Old SR 88, north of Globe to be called Wheatfields Road. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**
- B. Approved the following documents to continue to provide Gila Employment Special Training (GEST) Program services to clients:
  - 1. Amendment #2 to Contract DDD-704014 with ADES.
  - 2. Amendment #8 to Contract DDD-704011 with ADES.
  - 3. Amendment #9 to Contract DDD-704011 with ADES.

4. Provider Participation Agreement with AHCCCS Administration.
  5. Disclosure of Ownership/Control and Criminal Offenses Statements with AHCCCS Administration.
- C. Adopted Resolution No. 05-08-02 authorizing the Chairman's signature on a Memorandum of Understanding between the Division of Health and Community Services and the Globe Unified School District #1 to utilize the High Desert Middle School gymnasium as a clinic site to administer certain vaccines and pharmaceuticals in the event of a public health emergency. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**
- D. Approved Amendment No. 2 to Contract No. HG454004 between the Health Department and the Arizona Department of Health Services adding funding for the Tuberculosis Control Program in the amount of \$20,000 for the budget period July 1, 2005, to July 30, 2006.
- E. Approval of a Special Event Liquor License Application submitted by the Globe Lions Club to serve liquor at a wedding reception to be held on September 3, 2005.
- F. Approved the June 29, 2005, July 12, 2005, July 22, 2005, and July 26, 2005, BOS meeting minutes.
- G. Approved the June 2005 monthly departmental activity report submitted by the Payson Regional Justice of the Peace.
- H. Approved the personnel reports/actions for the week of August 1, 2005.

**August 1, 2005:**

Departure from County Service:

1. Transfer Station Attendant – Solid Waste Management – 07-25-05 – Enterprise Fund – Arthur Molter – Temporary position
2. Transfer Station Attendant – Solid Waste Management – 07-25-05 – Enterprise Fund – Claudia Miller – Temporary position

Hire to County Service:

3. Job Coach – Community Services – 08-01-05 – Grant Fund -



Robert Caldera

4. One Stop Disability Specialist – Community Services – 08-01-05 – Grant Fund - Kelli Robbins
5. Sanitarian II – Health Services – 08-15-05 – Health Services Fund - Gregory Teague
6. Training Specialist II – Community Services – 08-08-05 – Grant Fund - Holly Tomkinson

End Probationary Period:

7. Payroll Specialist – Finance – 07-25-05 – General Fund - Tammy Dover
8. Road Maintenance Worker II – Consolidated Roads – 07-25-05 – Road Fund - Thomas Mann

Position Review:

9. Salary Adjustment – Court Clerk II – Payson Constable – 07-25-05 – General Fund – Magdalena Magdaleno
10. Anniversary Increase – 07-11-05 – Terri Powell
11. Anniversary Increase – 07-25-05 – Jendean Sartain, Denise Ordorica, Josephine Goode, David Fletcher, Marilyn Brewer, Gary Tamietti, Gilbert Casillas, Ronnie Trevillyan, Thomas Hernandez, Lorenzi Corvin, Douglas Wilson, David Jones, Anita Zaragoza, Arnold Ambos
12. Anniversary Increase – 08-08-05 – Jackie Duckett, Ruben Gonzales, Walter Wiley, Mariano Gonzalez, Randy Burkhalter, Robert Hickman, Christine Lopez, Judy Smith
13. Anniversary Increase plus End of Probation – 07-25-05 – Cynthia Shafe
14. Change Fund Codes – Deputy Director – Public Works – 07-25-05 – Engineering to Administration Fund – Steve Sanders

Request Permission to Post:

15. Housing Technician – Community Services – position vacated by Gerald Philpot
16. Technology Integration Specialist – Gila County Education Service Agency – School Superintendent – new grant funded position

## **SHERIFF'S PERSONNEL ACTION ITEMS**

### Departure from County Service:

17. Deputy Sheriff – Globe S.O. – 07-29-05 – General Fund - Jessica Strickland – Hire 10-28-02 – Resigned – leaving area

### Departmental Transfer:

18. Deputy Sheriff Sgt. – Payson S.O. – 08-01-05 – General Fund - George Scott – change from Detention to Patrol

- I. Approved the finance reports/demands/transfers for the week of August 1, 2005. (separate handout).

### **August 1, 2005:**

\$511,516.05 was disbursed for County expenses by voucher numbers X146506 through X146639, X146641 through X146654, X371125 through X371280, and X371282 through X371358. The hand-issued warrants listing is as follows: voucher number X146504 in the amount of \$461.20 and voucher number X371123 in the amount of \$1,350.38.

At this time each Board member and the Chief Administrator were presented the opportunity to give a brief summary of current events as allowed by A.R.S. §38-431.02(K). Mr. Besich requested that he felt it would be appropriate to formally mention in this meeting about the recent passing away of Mr. Abie Castaneda, a former Gila County employee, so that he will become memorialized in the records of Gila County. Mr. Besich, Chairman Sanchez and Supervisor Dawson all related stories of their experiences with Mr. Castaneda and how much he was appreciated and will be missed.

There being no further business to come before the Board, Chairman Sanchez adjourned the meeting at 2:21 p.m.

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Jose M. Sanchez, Chairman

ATTEST:

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Steven L. Besich, County Manager/Clerk